



THE CITY OF DAWSON

NOTICE OF SPECIAL MEETING COMMITTEE OF WHOLE #CW18-26

This is to inform you that a special meeting of Committee of the Whole has been requested.

DATE OF MEETING: THURSDAY, SEPTEMBER 13, 2018
PLACE OF MEETING: COUNCIL CHAMBERS, CITY OFFICE
TIME OF MEETING: 7:00 PM
PURPOSE OF MEETING:

1. **CALL TO ORDER**
2. **ACCEPTANCE OF ADDENDUM & ADOPTION OF AGENDA**
 - a) Special Committee of Whole Agenda CW18-26
3. **BYLAWS AND POLICIES**
 - a) *Draft Sale of Municipal Lands Policy #2018-03*
 - b) *Auditor Appointment Bylaw #2018-13*
 - c) *KDO Guarantee and DIP Incentive Amendment No. 1 Bylaw #2018-16*
4. **PUBLIC QUESTIONS**
5. **INCAMERA SESSION**
 - a) Land and Legal Related Matters
6. **ADJOURNMENT**

DATE MEETING REQUESTED:
MEETING REQUESTED BY:

September 6, 2018
Wayne Potoroka, Mayor

Original signed by:
Cory Bellmore, CAO

September 7, 2018
Date

Report to Council



For Council Decision For Council Direction For Council Information

SUBJECT:	Information on Restricted and Unrestricted Fund	
PREPARED BY:	Clarissa Huffman, CDO	ATTACHMENTS: 1. Draft Sale of Municipal Lands Policy
DATE:	September 11, 2018	
RELEVANT BYLAWS / POLICY / LEGISLATION:		

RECOMMENDATION

It is respectfully recommended that:

1. Council approve the Sale of Municipal Lands Policy #2018-03 as presented.

ISSUE

The draft Sale of Municipal Lands Policy #2018-03 was presented to Committee of the Whole on July 24, 2018. This report is intended to be an explanatory note to answer the questions Council had about this draft policy, as recorded in the minutes of meeting CW18-23.

BACKGROUND SUMMARY

This report presents a second draft of the Sale of Municipal Lands Policy, with an explanatory note to answer Council's recorded questions.

ANALYSIS / DISCUSSION

Questions/comments from CW18-23 are listed in *italics*, with an answer/explanation to follow.

Should lot values under section 6(b) and 7(b) be included in the Fees and Charges bylaw?

No, because the value will vary for each individual circumstance based on context and location. Administration feels that it is sufficient to have a policy that identifies the process by which Council will assign value to land for sale. The Fees and Charges (generally) contains fixed fees and rates, which is not possible in this case. The intent is that this policy can provide consistency, fairness, and transparency moving forward when disposing of municipal land.

Some tiny parcels and alleyways that have not been utilized in many years really have no value to the City in terms of useable space and it would be good to clean up those areas of town as well as allowing for people to better develop their properties.

Administration agrees with this assessment. It is in the work plan of the Community Development and Planning Officer to create an inventory of all municipal owned land, including small fragments and part lots, for assessment. Based on this inventory, it will be possible to assess what land is earmarked for facilities, future uses, and potential future development, and what land could be considered surplus or not useable for

municipal purposes. After this assessment takes place, it will be possible to ‘clean up’ the parcels using this policy as the framework for how to dispose of those small parcels.

Would the City want to sell full lots that are not serviced in the Downtown Core? These lots have value for planning.

There are circumstances in which it may not be advantageous to dispose of an unserviced full lot. Section 4(d) has been added to the Policy which gives Council discretion to determine whether or not an unserviced lot may be released. This allows Council to assess on a case-by-case basis whether or not an unserviced lot may be released. For example, in an area where long-term planning is taking place, it may be prudent not to release an unserviced lot (or to release a lot at all). However, if planning has taken place for an area and a specific lot is not likely to be serviced by piped water and sewer in the near future, that is an example of a time when it may be possible for Council to consider releasing the lot under the condition that the purchaser provide proof of Environmental Health approval of their sewage disposal system. Additionally, under section 5(b), Council is not obligated to accept any request to purchase land.

Need to differentiate between lots the City is putting up for sale versus those where property owners are requesting to purchase feral un-serviced adjacent lots.

Section 5(a) makes this distinction. This section outlines the three circumstances in which land may be disposed of under this Policy. 5(a).i speaks to formal requests from an interested member of the public. The process for assigning value and for disposal would depend on whether the lot is considered a full lot, a partial lot, or a permanently closed roadway (as per sections 6, 7 and 8). 5(a).ii. refers to multiple lots being released in a grouping (for example the Dome Lottery). It is identified that lots released in this circumstance will be released through a land lottery in order to be fair and transparent. Finally, 5(a).iii. refers to single full lots deemed surplus for the municipality, and these lots could be released either through a land lottery or through an Expression of Interest for development (for example the Chief Isaac lot by the Palace Grande [which has been returned to the City]). The distinction between a full lot and a partial lot is critical because it differentiates how different circumstances are treated. For example, the main intent behind selling a full lot would typically be to develop it, so the requirement is an Agreement for Sale, which would identify the terms and conditions of the sale, including likely a Building Requirement. For a partial lot, the main intent is usually to ‘clean up’ small undevelopable parcels of land, so these would be sold to adjacent property owners and consolidated with the larger lot to remove the small, undevelopable part lot from the survey fabric.

What happens if you have a full lot that has no chance to ever be developed, and at what point can the city say that the lot has or does not have value to the town? What would the cost be for lots where the city has identified they have no value?

The lot should be assessed as per the process identified in s. 6(b) unless through a municipal planning process (i.e. North End Plan) the lot is determined to be of no value or of marginal development potential. If this occurs, the land could be disposed of at a value of \$1.00 per square foot regardless of the assessed value process. This would take place at the sole discretion of Council and should require a condition in the Agreement for Sale that the purchaser acknowledge and accept liability for whatever the reason was that the lot was determined to have no developable value. Section 6(c) was added to account for this type of circumstance.

There should be a process for deeming lots surplus and what does it mean to be surplus?

As per the Policy definitions, a surplus lot is defined as a lot that has been deemed as excess to the municipality’s needs and is not earmarked or under consideration by any department for any future City of Dawson project or facility. A lot must be deemed a surplus lot through consultation with all City departments prior to disposition to ensure that there is no significant municipal interest in the land. As per s. 4(a), the

process for deeming lots surplus is through consultation with all municipal departments. Sections 4(b) and 4(c) have been added to the Policy to clarify this process in more detail.

Does this policy account for newly developed lots or subdivisions? Policy may need to differentiate between full lots identified as surplus as they have no value to the City, and full lots that the City has developed and are available for sale.

The Policy accounts for newly developed lots or subdivisions in sections 5 and 6, where the process for disposing of full lots is identified. Section 5(a)ii. states that new subdivisions and full lots deemed surplus will be released through a land lottery. Section 6(d) and a policy-specific definition of subdivision were added to the Policy to further distinguish between a full lot deemed surplus and a new lot (or group of new lots) created through a plan of subdivision as a part of a municipal planning process. This helps to distinguish between the value of a full lot deemed surplus and the creation/release of a set of new lots specifically for development. While it can be challenging to obtain a market value, in this case that value is appropriate as it is a newly created lot and assessed value would not be as relevant.

APPROVAL		
NAME:	Cory Bellmore, CAO	SIGNATURE:
DATE:	September 11, 2018	



City of Dawson

Sale of Municipal Lands Policy

2018-03

1. POLICY STATEMENT

- a) The City of Dawson wishes to ensure that all land within the municipal boundary is utilized to its full potential wherever possible. There are instances in which it may be in the public interest to consider that a given parcel could be developed to its highest and best use through municipal disposition of the land.

2. OBJECTIVES

- a) It is the purpose of this policy to:
 - i. Establish the framework for the process of disposition of municipal land.
 - ii. Replace the Sale of Municipal Lands Policy #2014-04, which shall be repealed.

3. DEFINITIONS

ADJACENT PROPERTY: an adjacent property is a property that shares a property line with the subject property. Properties that would share a property line but are bisected by an alley are considered adjacent for the purposes of this definition.

PERMANENTLY CLOSED ROADWAY: a surveyed road right-of-way in the control of the City of Dawson that has been permanently closed by by-law through the process outlined in the Maintenance of Alleys Policy.

FULL LOT: a lot that meets the minimum lot size requirement for the zone it falls within as per the Zoning By-Law designation currently in effect at the time of disposition.

PARTIAL LOT: a lot that does not meet the minimum lot size requirement for the zone it falls within as per the Zoning By-Law designation currently in effect at the time of disposition.

SUBDIVISION: for the purposes of this policy, a subdivision is the creation a group of 3 or more lots by the municipality with the intent to develop the lots or release the lots to the public for development. Lots in a new subdivision may be newly surveyed lots or vacant lots pre-existing in the survey fabric that are municipally owned and previously undeveloped.

SURPLUS LOT: an existing lot that has been deemed as excess to the municipality's needs and is not earmarked or under consideration by any department for any future City of Dawson project or facility. A lot must be deemed a surplus lot through consultation with all City departments prior to disposition to ensure that there is no

significant municipal interest in the land.

4. CRITERIA FOR RELEASE

- a) A lot being considered for disposition must first be deemed a surplus lot through consultation with all City of Dawson departments.
- b) In accordance with s. 4(a), a lot will be deemed surplus using the following process:
 - i. Circulation of the proposal to all department heads requesting their comments on the proposal and will include a deadline for comment;
 - ii. Comments shall include:
 - 1) an indication of whether or not the land is earmarked or under consideration for future use by that department;
 - 2) Confirmation of whether or not the department would support the land being deemed surplus; and
 - 3) Any other information that the department head wishes to be considered by administration and Council during the disposition of the land.
- c) In accordance with s. 4(b) and 5(c), an assessment of whether or not the land can be deemed surplus should be included in the recommendation report to Council.
- d) Disposition of land parcels must be completed in accordance with the Procurement Policy in effect at the time of disposition.
- e) Disposition shall only occur in compliance with the title and transfer of title requirements of the Land Titles Act with respect to remainders and metes and bounds descriptions.
- f) Unserviced full lots may be released for disposition in the sole discretion of Council.

5. DISPOSITION PROCESS: GENERAL

- a) Land disposition may occur through one of the following mechanisms:
 - i. Formal request to the Chief Administrative Officer from the interested party;
 - ii. For new subdivisions and for multiple lots deemed surplus and released at the same time, a land lottery conducted by the Chief Administrative Officer or their delegate;
 - iii. For individual lots deemed surplus, either a land lottery OR an expression of interest conducted by the Chief Administrative Officer or their delegate.
- b) In the event of Subsection 4. a) i. above, Council is under no obligation to accept a request to purchase land.
- c) Land disposition shall occur through three readings of a by-law in accordance with the Municipal Act. The Chief Administrative Officer or their delegate will prepare a report to Council with a recommendation to accept or reject the proposal.

6. DISPOSITION PROCESS: FULL LOT

- a) Full lots, **including lots in new subdivisions**, shall only be sold under an Agreement for Sale that ensures development of the lot within a specified period of time with a permitted use for that zone as per the Zoning By-Law in effect at the time of disposition.
- i. All developments through an Agreement for Sale under this Policy are required to comply with all other municipal by-laws, including but not limited to the requirement to obtain a valid development permit.
 - ii. All developments through an Agreement for Sale under this Policy must either be connected to the municipal water and sewer system OR provide documentation of Yukon Government Environmental Health approval of a sewage disposal system prior to commencing development.
 - iii. Council may wish to develop a standardized Agreement for Sale document for consistent requirements, but at minimum the Agreement for Sale should outline the following:
 - 1) The name and full contact information of the purchaser;
 - 2) The legal description and civic address of the property under consideration;
 - 3) The sale price as determined by this policy;
 - 4) The building requirement of the lot; and
 - 5) Action to be taken in the event that any conditions are not met.
 - iv. Unless otherwise specified, all development costs shall be borne by the purchaser.
 - v. Extensions to an Agreement for Sale may only be granted in extenuating circumstances for a maximum period of one year, at the discretion of Council and at the written request of the purchaser prior to expiry of the Agreement for Sale.
 - vi. Agreements for Sale are solely intended for the listed Purchaser and may not be transferred.
 - vii. Title to the property shall remain in the possession of the City of Dawson until such time as all conditions, including the building requirement, are met.
- b) Full lots **deemed surplus** shall be sold at a value per square foot that is equivalent to the average assessed value per square foot of each adjacent property, based on the current Assessment Roll in effect, to a minimum of \$1.00 per square foot.
- c) **Notwithstanding s. 6(b), a full lot that is determined through a municipal planning exercise to have no developable value to the City may be disposed of for \$1.00 per square foot, at the sole discretion of Council. This may require a condition in the Agreement for Sale that the purchaser acknowledge and accept liability for the reason that the lot was determined to have no developable value.**
- d) **Notwithstanding s. 6(b), a new subdivision created through a municipal planning exercise for the intent of release to the public may be disposed of at a rate determined by a market value assessment.**

7. DISPOSITION PROCESS: PARTIAL LOT

- a) Partial lots may only be sold to the current legal owner of an adjacent property owner, and shall be subject to the following conditions:
 - i. The partial lot shall be consolidated with the adjacent lot in accordance with the policies and procedures outlined in the Municipal Act, the Zoning By-Law, and the Subdivision By-Law.
 - ii. The cost of consolidation and all associated costs, including but not limited to survey costs, shall be borne by the purchaser.
- b) Partial lots shall be sold at a value of \$1.00 per square foot.
- c) In the event that the adjacent property owner is located across an alley from the subject parcel lot, the sale shall be conditional upon the permanent closure of the alley and subsequent purchase of the portion of the alley required to consolidate.

8. DISPOSITION PROCESS: PERMANENTLY CLOSED ROADWAY

- a) Permanently closed roadways may be made available for purchase only to property owners adjacent to the subject property, and shall be subject to the following conditions:
 - i. The permanently closed roadway shall be consolidated with the adjacent lot in accordance with the policies and procedures outlined in the Municipal Act, the Zoning By-Law, and the Subdivision By-Law.
 - ii. The cost of consolidation and all associated costs, including but not limited to survey costs, shall be borne by the purchaser.
- b) Disposition of permanently closed roadways, or portions thereof, shall only occur if the disposition does not remove or restrict access to any other surveyed parcel.
- c) Permanently closed roadways shall be sold at a value of \$1.00 per square foot.

POLICY TITLE:	Sale of Municipal Lands Policy
POLICY #:	2018-03
EFFECTIVE DATE:	July XX, 2018
ADOPTED BY COUNCIL ON:	July XX, 2018
RESOLUTION #:	C18-XX-XX

 Wayne Potoroka, Mayor

 Cory Bellmore, CAO

 Mayor

 CAO



THE CITY OF DAWSON

Bylaw No. 2018-13

WHEREAS section 256(1) of the *Municipal Act*, RSY 2002, c. 154, and amendments thereto, requires that council shall by bylaw appoint as auditor one or more persons, or a firm of auditors, qualified to practice as auditors, now

THEREFORE, pursuant to the provisions of the *Municipal Act* of the Yukon, the council of the City of Dawson, in open meeting assembled, **HEREBY ENACT AS FOLLOWS:**

PART I - INTERPRETATION

1.00 Short Title

1.01 This bylaw may be cited as the ***Auditor Appointment Bylaw***.

2.00 Purpose

2.01 The purpose of this bylaw is to appoint an auditor for the City of Dawson.

3.00 Definitions

3.01 In this Bylaw:

- (a) Unless expressly provided for elsewhere within this bylaw the provisions of the *Interpretations Act (RSY 2002, c. 125)* shall apply;
- (b) “CAO” means the Chief Administrative Officer for the City of Dawson;
- (c) “city” means the City of Dawson;
- (d) “council” means the council of the City of Dawson.

PART II – APPLICATION

4.00 Appointment

4.01 The firm Metrix Group LLP, Chartered Professional Accountants, 10476 Mayfield Road, Edmonton, AB T5P 4P4, previously known as the firm of Hawkings Epp Dumont LLP, Chartered Accounts, Mayfield Square 1, 10476 Mayfield Road, Edmonton AB, T5P 4P4, is hereby appointed by the City of Dawson to perform the duties of auditor pursuant to section 258 of the *Municipal Act*.



THE CITY OF DAWSON

Bylaw No. 2018-13

PART III – FORCE AND EFFECT

5.00 Severability

5.01 If any section, subsection, sentence, clause or phrase of this bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder unless the court makes an order to the contrary.

6.00 Bylaw Repealed

6.01 Bylaw #12-02 and its amendments are hereby repealed.

7.00 Enactment

7.01 This bylaw shall come into force on the day of the passing by council of the third and final reading.

8.00 Bylaw Readings

Readings	Date of Reading
FIRST	August 14, 2018
SECOND	
THIRD and FINAL	

Wayne Potoroka, Mayor
Presiding Officer

Cory Bellmore, CAO
Chief Administrative Officer



THE CITY OF DAWSON

Bylaw No. 2018-16

WHEREAS section 265 of the *Municipal Act*, RSY 2002, c. 154, and amendments thereto, provides that a council may pass bylaws for municipal purposes; and

WHEREAS section 245 of the *Municipal Act*, RSY 2002, c. 154, and amendments thereto, provides that council may pass bylaws to provide guarantees within the city's borrowing limit; and

WHEREAS Bylaw #16-09 provided a mortgage guarantee to Klondike Development Organization in the amount of \$573,000; and

WHEREAS the lender has required the guarantee be increased from \$573,000 to \$650,000 to secure both developments; and

WHEREAS the Chief Financial Officer for the City of Dawson has advised council that the granting of a guarantee in the amount of \$650,000.00 will not cause the city to exceed its borrowing limit; now

THEREFORE, pursuant to the provisions of the *Municipal Act* of the Yukon, the council of the City of Dawson, in open meeting assembled, **ENACT AS FOLLOWS:**

PART I - INTERPRETATION

1.00 Short Title

1.01 This bylaw may be cited as the ***KDO Guarantee and DIP Incentive Amendment No. 1 Bylaw.***

2.00 Purpose

2.01 The purpose of this bylaw is to provide for

- (a) an amendment to Bylaw #16-09 for the purpose of increasing the mortgage guarantee amount.
- (b) This amendment does not amend the existing Development Incentive Agreement, and any future Development Incentive Agreements will be executed as per the Development Incentive Policy.



THE CITY OF DAWSON

Bylaw No. 2018-16

3.00 Definitions

3.01 In this Bylaw:

- (a) Unless expressly provided for elsewhere within this bylaw the provisions of the *Interpretations Act (RSY 2002, c. 125)* shall apply;
- (b) "CAO" means the Chief Administrative Officer for the City of Dawson;
- (c) "city" means the City of Dawson;
- (d) "council" means the council of the City of Dawson.

PART II – APPLICATION

4.00 Amendment

4.01 Replace s. 3 with the following:

"The city enter into a guarantee with the Canadian Imperial Bank of Commerce (the "Bank"), guaranteeing the repayment of up to \$650,000.00 of the indebtedness owed to the Bank by the Klondike Development Organization, and secured by way of mortgage to the Bank on the Land, the guarantee being in substantially the form of guarantee attached to this bylaw as Appendix "A" (the "Guarantee")."

PART III – FORCE AND EFFECT

5.00 Severability

- 5.01 If any section, subsection, sentence, clause or phrase of this bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder unless the court makes an order to the contrary.

6.00 Enactment

- 6.01 This bylaw shall come into force on the day of the passing by council of the third and final reading.



THE CITY OF DAWSON

Bylaw No. 2018-16

7.00 Bylaw Readings

Readings	Date of Reading
FIRST	September 4, 2018
SECOND	
THIRD and FINAL	

Wayne Potoroka, Mayor
Presiding Officer

Cory Bellmore
Chief Administrative Officer



THE CITY OF DAWSON

Bylaw No. 2018-16

PART IV – APPENDIX (APPENDICES)

APPENDIX A: CIBC Credit Facilities